Société anonyme with a capital of 27 876 782.50 euros
Headquarters: 49, boulevard du général Martial Valin - 75015 Paris
410 910 095 R.C.S. Paris

HALF-YEAR FINANCIAL REPORT 2022

SUMMARY

This report is prepared in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and Articles 222-4 to 222-6 of the General Regulations of the Autorité des marchés financiers (AMF) and the provisions of Articles L.232-7 par. 3 and R 232-13 of the French Commercial Code.

1. PREAMBLE

Onxeo is a French clinical-stage biotechnology company that develops new cancer drugs by targeting tumor DNA functions through unique mechanisms of action in the field of DNA Damage Response (DDR).

DNA damage response consists of a network of cellular pathways that detect, report and repair DNA damage. Proteins monitor DNA integrity and can activate cell cycle checkpoints and repair pathways in response to damage to prevent the generation of potentially deleterious mutations. Applied to oncology, this new field of research aims to weaken or block the ability of tumor cells to repair damage to their DNA, either naturally or under the effect of cytotoxic treatments. Tumor cells are much more dependent on DNA repair mechanisms than healthy cells, due to their uncontrolled proliferation.

The Company focuses on the development of innovative or disruptive compounds from preclinical (translational) research to human clinical proof-of-concept studies, which represents its know-how and expertise. It thus leads its programs to the most value-creating and attractive inflection points for potential partners.

Onxeo is listed on Euronext Growth in Paris and Nasdaq First North Growth in Copenhagen.

The Company's portfolio is based on platON™, Onxeo's decoy oligonucleotide platform.

PlatON™ is intended to expand the Company's product portfolio by generating new compounds based on an unparalleled DNA damage response decoy mechanism, and capitalizing on the expertise the Company has developed on this type of oligonucleotide.

The Company's portfolio includes:

- AsiDNA™, a first-in-class product interfering with tumor DNA break repair, based on a decoy agonist mechanism, unmatched in the DDR field, which could, among other things, combat tumor resistance. AsiDNA™ is in clinical development in several trials, in combination with PARP inhibitors or in combination with radiation therapy.
- A new family of compounds, OX400, is in the preclinical phase, positioned as a new-generation PARP agonist that is designed not to induce resistance and to activate the immune response. The first molecule identified, OX401, is currently being optimized.

The Company is convinced of the significant therapeutic potential of its decoy oligonucleotide technology and the disruptive innovation it represents, which could pave the way for a new paradigm in cancer treatment.

2. BUSINESS ACTIVITY AND SIGNIFICANT EVENTS DURING THE YEAR

2.1. RESEARCH AND DEVELOPMENT

2.1.1. AsiDNA™

AsiDNA™ is a first-in-class product in the DDR field. It interferes with tumor DNA repair by a very original decoy agonist mechanism, resulting in particular from research at the Institut Curie.

The product is composed of a double-stranded DNA fragment that behaves like a damaged tumor DNA fragment. It hijacks and sequesters key proteins for tumor DNA repair (decoy mechanism), then hyperactivates them (agonist mechanism). AsiDNA™ thus induces inhibition of DNA repair and depletion of the repair pathways of the tumor cell, which nevertheless continues its replication cycle, but with damaged DNA, leading

to cell death. AsiDNA™ specifically targets tumor cells and has a very favorable safety profile in humans observed in three Phase 1/1b clinical studies.

Unlike so-called "targeted" therapies that inhibit a specific protein or pathway, such as PARP inhibitors (PARPi), AsiDNA™ does not inhibit one or more repair proteins but instead hyperactivates them, thereby disrupting the entire repair cascade. Thus, it does not induce resistance mechanisms, which all targeted therapies used in oncology today face. This resistance leads to a loss of efficacy and therefore to therapeutic failures after several cycles of treatment.

It is a very strong differentiating factor that allows its use in combination with other tumor DNA damaging agents such as radiotherapy and chemotherapy, or in combination with inhibitors of a specific repair pathway such as PARPi or other targeted therapies, to increase their efficacy, notably by abrogating resistance to these treatments, without increasing toxicity.

In the first half of 2022, the Company continued the preclinical and clinical development of AsiDNA™.

In preclinical development

Onxeo presented new preclinical data confirming the relevance of combining AsiDNA™ with PARP inhibitors (PARPi) in tumor models with an active homologous recombination repair proficient (HRP) pathway on March 9, 2022, at the ESMO Targeted Anticancer Therapies Congress. Although PARP inhibitors have shown significant benefit in cancer patients with homologous recombination repair deficiency (HRD), they show no or very limited efficacy in tumors with active homologous recombination repair proficiency (HRP). The data presented by Onxeo highlight the therapeutic advisability of combining AsiDNA™ with PARPi in HRP tumors to overcome intrinsic or acquired resistance in the clinical setting.

At the American Association for Cancer Research (AACR) Annual Meeting held April 8-13, 2022, the Company presented new preclinical data confirming AsiDNA™'s capabilities to protect against cancer treatment toxicity and combat tumor resistance:

- In the framework of the collaboration with Prof. Gilles Favre (Toulouse Cancer Research Center), AsiDNA™ has been shown to prevent the emergence of resistance to tyrosine kinase inhibitors in several models of oncogenic addiction, highlighting the therapeutic advisability of combining AsiDNA™ with tyrosine kinase inhibitors (TKIs) to overcome resistance in a clinical setting.
- Furthermore, in the context of the collaboration with Prof. Marie Dutreix (Institut Curie), experiments in in vivo and in vitro models have shown the potential of AsiDNA™ to protect healthy cells from the toxicity of several cancer treatments. Indeed, when combined with various cancer therapies (carboplatin +/- paclitaxel in long-term treatment, radiation therapy, doxorubicin, PARP inhibitors), AsiDNA™ activates its nuclear target only in dividing cells, while preserving healthy non-proliferating cells. In addition, in some healthy proliferating cells, AsiDNA™ induces a halt in their division or boosts their DNA repair activity, protecting them from the toxic effects of anti-cancer treatments.

In clinical development

On June 30, 2022, the Company announced that the Food and Drug Administration (FDA) approved the initial Investigational New Drug (IND) application for AsiDNA, its first-in-class drug candidate. This is the first IND filed by Onxeo since the arrival of the American team in April 2022.

This decision allows the Company to initiate a multi-center Phase 1b/2 trial to evaluate the safety and efficacy of AsiDNA in combination with the PARP inhibitor Olaparib in patients with epithelial ovarian cancer, breast cancer and metastatic castration-resistant prostate cancer who have progressed despite initial treatment with PARP inhibitors. The Company plans to launch this clinical trial in the second half of 2022 at three to five potential clinical sites in the United States.

In addition, during the first half of the year, Onxeo continued its two trials conducted in collaboration with two academic research centers of excellence in oncology:

- The Revocan phase 1b/2 trial evaluating the addition of AsiDNA™ to combat PARP inhibitor resistance in second-line maintenance treatment of recurrent ovarian cancer. Gustave Roussy is the promoter of

this study. The pace of recruitment has been slower than expected and the first results are now expected in the second half of 2022.

- The Phase 1b/2 trial evaluating AsiDNA® in combination with radiotherapy in recurrent high-grade glioma in children, an indication with a particularly poor prognosis. The Institut Curie is the sponsor of this study, which is supported by a grant from the European Fight Kids Cancer program. The Company has announced the treatment of a first patient in August 2022.

2.1.2. PlatON® platform and OX400 family

PlatON® is a chemistry platform for building new molecules using three components: the oligonucleotide (a double-stranded DNA fragment), a linker between the two strands to ensure the stability of the fragment, and a vector to promote cell penetration (a cholesterol molecule in the case of AsiDNA®). With platON®, Onxeo has the means to enrich its portfolio of highly innovative drug candidates while capitalizing on the expertise and knowledge it has accumulated in the field of oligonucleotides and DNA repair mechanisms in recent years.

After AsiDNA®, the first compound derived from platON®, the company has designed a family of new compounds called OX400 based on its oligonucleotide platform. Based on Onxeo's proprietary decoy agonist technology, the OX400 family is positioned both in the field of DNA damage response (DDR) by acting on PARP, a key protein in tumor DNA repair, and in immuno-oncology.

The preclinical program already completed has confirmed the main properties of its first compound, OX401. OX401 exhibits potent antitumor activity, demonstrated in an animal model of breast cancer, linked to hyperactivation of PARP and hijacking its DNA repair function in tumor cells specifically. PARP is a major component of the DNA repair mechanism, and the clinical value of acting on this protein has already been amply demonstrated by PARP inhibitors. Moreover, this activity on PARP induces a strong engagement of the cGAS-STING pathway, as demonstrated by the increase of key biomarkers of the tumor immune response. The activation of this pathway is now a very promising new approach in immuno-oncology.

Endowed with an original decoy agonist mechanism of action like all platON® compounds, OX401 does not induce tumor resistance to treatment, which represents a clear distinction from targeted therapies such as PARP inhibitors. Finally, like AsiDNA® , OX401 has no activity on healthy cells, which should give it a favorable safety profile in the clinic.

During the first half of 2022, the Company continued to optimize OX401 to improve its action on the PARP protein, involved in the tumor DNA repair cascade, and its activation of the antitumor immune response via the cGAS-STING pathway. The Group plans to select the compound with the optimal pharmacokinetic and pharmacodynamic profile (lead compound) and to conduct its preclinical development in 2022, including the study of its combination with checkpoint inhibitors (immunotherapies).

2.2. GOVERNANCE

On January 3, 2022, Onxeo announced the appointment of Mr. Julien Miara as interim CEO, replacing Mrs. Judith Greciet, following the decision of the Board of Directors. Julien Miara is a Director at Invus SAS (an independent advisory firm of Invus Public Equities, L.P.), which he joined in 2010 as an analyst for the listed companies investment activity, covering in particular biotechnologies. He is also a director of the Company, representing Invus.

On April 7, 2022, Onxeo announced the appointment of Dr. Shefali Agarwal as President and CEO. Shefali Agarwal succeeds Julien Miara. With her extensive experience in oncology, she will lead the Company's strategy and development with a strong team, particularly in the United States where the Group's clinical and regulatory expertise will be concentrated, with clear objectives: To advance AsiDNA®, a first-in-class inhibitor of the tumor DNA damage response, into clinical trials and to conduct preclinical proof-of-concept studies with OX401, a next-generation PARP agonist, and its optimized versions.

The Combined General Shareholders' Meeting on June 15, 2022 appointed Mr. Khalil Barrage as a new director for three years. Mr. Barrage is the CEO of Invus, which is headquartered in New York. He joined Invus in 2003 and set up its public equity business. Since its inception, Invus Public Equity has focused its investments on innovative young biotech companies. Prior to joining Invus, he worked at The Olayan Group in New York and

managed their US equity portfolio for 15 years. He holds a Bachelor's degree in Economics from the American University of Beirut. He is a member of the board of directors of several biotechnology companies, including Celtaxsys and Protagenic Therapeutics in the United States and Sensorion in France. The shareholders also renewed the term of office of GammaX Corporate Advisory, represented by Mr. Jacques Mallet, for a further three years. Mrs. Danielle Guyot-Caparros, whose third term of office expired at the time of this Shareholders' Meeting, did not seek a new term.

Judith Greciet left the Company in the first half of 2022 and, following proceedings before the labor courts, received a severance payment of 306 thousand euros.

As of the date of this report, the Board of Directors is composed of 8 members, 6 men and 2 women, including 4 independent members.

First name, Last name, Title	Independent Director	Year of first appointment	End of term	Audit Committee	Compensation and Nomination Committee	Scientific Committee
Ms. Shefali Agarwal, chairwoman and CEO	No	2021	2024			Member
Mr. Khalil Barrage, director representing Invus	No	2022	2025			
Mr. Julien Miara, director representing Invus	No	2022	2025	Member	Member	
Financière de la Montagne, director represented by Mr. Nicolas Trebouta	No	2011	2023		Member	
Mr. Robert Coleman, director	Yes	2021	2023			Chair
Mr. Bryan Giraudo, director	Yes	2021	2024	Chair	Member	
GammaX Corporate Advisory, director represented by Mr. Jacques Mallet	Yes	2021	2025		Chair	Member
Ms. Judith Greciet, director	Yes	2011	2023			

2.3. FINANCING

On April 6, 2022, Onxeo announced a new €12 million round of financing from its historical shareholders Invus and Financière de la Montagne. This financing is structured in the form of a capital increase of €8 million and an issue of bonds convertible into shares for an amount of €4 million. It extends the Company's financial visibility until the second quarter of 2023.

The net proceeds of the issue are intended (i) for the development of AsiDNA, the Company's lead product, both clinically and industrially in ongoing and future clinical trials, (ii) to finalize the optimization and development of the preclinical program for OX401 both alone and with immuno-oncology drugs, and (iii) more generally, to finance the Company's ongoing expenses.

Terms and conditions of the capital increase

The capital increase was carried out by issuing ordinary shares with cancellation of the shareholders' preferential subscription rights, in favor of a category of persons, on the basis of the 13th resolution of the Extraordinary Shareholders' Meeting of June 10, 2021, in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code.

A total of 19,512,195 new ordinary shares, with a par value of €0.25 each, were issued to Invus Public Equities LP and Financière de la Montagne. The new shares represent approximately 21% of the Company's share capital before the completion of the private placement. The subscription price has been set at €0.410 per new share, corresponding to the weighted average of the prices of the last three trading sessions (i.e. from April 1 to 5, 2021 inclusive) without discount, representing net proceeds of the issue of €8 million.

The issue has not given rise to a prospectus submitted to the AMF for approval.

The new shares were admitted to trading on the Euronext Growth market in Paris on April 12, 2022. They are listed on the same quotation line as the Company's existing shares (ISIN: FR0010095596), carry current dividend rights and were immediately assimilated to the Company's existing shares.

Following the completion of the capital increase, Invus Public Equities LP and Financière de la Montagne held 23.5% and 19.8% of the Company's capital respectively, on the basis of a total of 111,507,130 shares, and a shareholder owning 1% of the Company's capital saw its stake reduced to 0.83%. To the Company's knowledge, no other shareholder owns more than 5% of its capital.

Bond issue convertible into ordinary shares (CBs)

This bond issue convertible into ordinary shares was decided by the Board of Directors on the basis of the 13th resolution approved by the Combined General Shareholders' Meeting of the Company on June 10, 2021 (cancellation of preferential subscription rights in favor of a category of persons) in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code.

The convertible bond with a nominal value of €4,000,000 is represented by 4,000,000 convertible bonds with a par value of one euro each, representing gross proceeds of the bond issue of €4 million. The CBs were subscribed by Invus Public Equities LP and Financière de la Montagne for €2.5 million and €1.5 million respectively.

No application has been made for the Bonds to be admitted to trading on Euronext Growth. On the other hand, any ordinary shares resulting from the conversion of the CBs will, as soon as they are issued, be listed on the same line as the existing ordinary shares (ISIN code FR0010095596).

The issue has not given rise to a prospectus submitted to the AMF for approval.

The Company will periodically publish on its website the number of new shares issued upon conversion of the convertible bonds.

The main characteristics of CBs are as follows:

- Maturity: 5 years
- Mandatory conversion at maturity: Any CBs not converted seven trading days prior to the maturity date will be automatically converted into common shares at the maturity date according to the conversion ratio described below.
- Interest: The CBs do not give rise to interest (except for late interest applicable to any delay of a cash redemption in the event of default or a change of control).
- Conversion: The CBs may be converted into ordinary shares exclusively at the Company's initiative between the issue date and the maturity date; the CBs will entitle their holders, in the event of conversion, to a number N of new ordinary shares equal to the par value of one CB divided by X; X being the lesser of (a) 0.410 euros , and (b) the volume-weighted average of the prices of the three trading sessions preceding the date of the request for conversion, without any discount.
- Default: Usual cases in such matters (in particular breach of the terms and conditions, delisting, sale of significant assets or cessation of activity) opening the possibility (at the initiative of the representative of the group upon request of a CB holder) of early redemption in cash of the CBs at an amount corresponding to 110% of the value.
- Change of control: In the event of a change of control, an option (at the initiative of a CB holder for all or some of the CBs they own) to redeem the CBs early for cash at an amount corresponding to 110% of their par value.
- Guarantees: The cash redemption of the CBs (in the event of default or change of control) is guaranteed by a pledge granted by the Company on certain intellectual property rights held by the Company, it being specified that the pledge is granted subject to the licenses and exploitation rights granted or to be granted by the Company on the pledged rights.
- Non-transferability of the CBs except to the benefit of the affiliates of the CB holders or except with the prior written consent of the Company.
- Lock-up of the Company (prohibition on additional issuance of convertible bonds): 90 days (subject to the usual exceptions).

3. IMPACT ON FINANCIAL POSITION AND EARNINGS

3.1. REVIEW OF ACCOUNTS AND EARNINGS

The Group did not record any consolidated revenues for the period ended June 30, 2022.

Personnel expenses amounted to €4.3 million, compared with €2.1 million in the first half of 2021. This increase is due to the hiring of a new team based in the US, mostly in charge of clinical and regulatory operations, as well as to severance payments to the former CEO and to certain French employees.

External expenses amounted to €4.6 million at June 30, 2022, compared with €2.1 million at June 30, 2021. R&D expenses with third parties increased in the first half of the year, from €1.4 million in 2021 to €4.1 million in 2022, mostly due to industrial development and manufacturing of clinical batches for AsiDNA. This increase was partly offset by a decrease in general and administrative expenses.

The financial result as of June 30, 2021 is a loss of €2.4 million, mainly due to the cost of the bond issue with SWK Holdings.

As a result of the changes in business activity reflected in the income and expense items described above, net income for the six months ended June 30, 2022 is negative at €11.5 million, compared with a loss of €4.8 million for the first half of 2021.

3.2. AVAILABLE CASH

The Group's cash flow at June 30, 2022 was €26.9 million, compared with €17.9 million at December 31, 2021. The change in cash flow is mainly due to the capital increase implemented during the first half of the year, which provided Onxeo with net proceeds of €12 million, as well as license revenues received from Biogen for a non-strategic product, amounting to €3.6 million. These revenues were sufficient to cover operating expenses of €6.6 million.

The cash available at June 30, 2022 gives Onxeo visibility until the second quarter of 2023.

4. MAIN RISKS AND UNCERTAINTIES FOR THE NEXT SIX MONTHS

Important note on the pandemic, geopolitics, and economy

As of the date of this Report, the Company considers that it has limited exposure to risks on its operations due to COVID-19 (or any other pandemic risk) and the Russian-Ukrainian conflict. However, it does not rule out the possibility that lockdowns imposed by states and governments could be put back in place, or a continuation or increase in the sanctions enacted against Russia could affect the smooth running of its subcontracted activities, particularly the conduct of clinical trials and production operations. In addition, the Company believes that the inflation that appeared in the first half of 2022, if it were to remain durably high, could significantly increase its operating expenses and increase its financing needs.

In addition, the effect of these events on the world's financial markets could have a short-term impact on its ability to finance itself on the capital markets and, consequently, on the conduct of its business.

Excluding the specific risks mentioned above, no specific risk factors are anticipated in the second half of 2022, other than the risk factors inherent in the Company's business, structure, strategy and environment, as described in the 2021 Annual Financial Report published on April 28, 2022: These risks, summarized below, are inherent in the development of innovative medicines and depend on the success of preclinical and clinical trials as well as on regulatory requirements in terms of safety, tolerability and effectiveness.

4.1. FINANCIAL RISKS

Financial risks are essentially risks related to the Company's cash flow as long as it is not generating significant revenues in relation to its expenses, particularly in research and development. As of June 30, 2022, the Company has a cash flow of €26.9 million, which provides financial visibility until the second quarter of 2023. In the meantime, it remains possible that the Company will have recourse to non-dilutive financing or possibly fundraising in the near to medium term to secure its operations in the event that it does not manage to generate additional resources, in particular through new licensing agreements.

Factors such as the inability to establish licensing agreements for the products in its portfolio within the expected timeframe, a delay or insufficient success in its clinical trials, opportunities for development or external growth, and higher costs of ongoing developments, in particular due to additional requirements from regulatory authorities or to defend its intellectual property rights, may influence the need for, and the terms and conditions of, such financing.

4.2. RISKS RELATED TO THE COMPANY'S BUSINESS

The Company's operational risks relate primarily to the development of its products until the first significant clinical results (proof of mechanism or proof of concept in humans) are obtained, allowing it to initiate partnership discussions.

The Company's development portfolio consists primarily of products at an early stage of development and there is a significant risk that some or all of its drug candidates may not be developed, formulated or produced on acceptable economic terms, may have their development interrupted, may not be the subject of partnership or licensing agreements, may not obtain regulatory approval or may never be commercialized.

The risk of failure or substantial delay in the development of a drug exists at all stages and particularly in clinical trials, even if the Company applies its expertise in translational research, which seeks to identify factors that predict the activity of the drug in humans.

In addition, the response time of regulatory authorities to clinical trial applications submitted to them is also variable, particularly if additional requests are made by the authorities. Moreover, there is a significant competitive risk for all products developed by the Company.

With respect to the Company's structure and strategy, the most significant risks stem from the resources and size of the Company, which must attract and retain key personnel while outsourcing and subcontracting its production.

4.3. LEGAL AND REGULATORY RISKS

Legal risks are mainly related to intellectual property, as well as to licensing agreements in place and infringement once products are on the market.

4.4. INSURANCE AND RISK COVERAGE

The Company believes that it has the appropriate insurance coverage for its activities, including the coverage required by law for clinical trials, in France and in the rest of the world. The Company does not foresee any particular difficulties in maintaining adequate insurance levels in the future.

4.5. LITIGATION

On February 11, 2020, Onxeo entered into an agreement for the out-of-court settlement of the remaining proceedings in the litigation between it and the companies SpePharm and SpeBio B.V. since 2009, including the immediate, complete and final renunciation of all pending actions, as well as of all future claims or causes of action between the parties related to their past disagreements. This agreement commits Onxeo to pay SpePharm 15 to 20% of the net amounts to be received from commercial agreements relating to Onxeo's R&D assets, for a total cumulative amount of €6 million within a period of 4 years, i.e. by January 31, 2024 at the latest. As of June 30, 2022, the residual amount of this debt is €4.1 million.

As of the date of this report, there are no governmental, legal or arbitration proceedings, including any proceedings of which the Company is aware, which are pending or which the Group is threatened with, that are likely to have or have had in the past 12 months a significant effect on the financial situation or profitability of the Group.

5. FORESEEABLE DEVELOPMENT OF THE GROUP'S SITUATION AND FUTURE PROSPECTS

In 2022, the Company will continue to pursue its value creation strategy based on the development of its therapeutic innovations up to proof-of-concept studies in humans, and then generate revenues through agreements with other pharmaceutical companies capable of pursuing their development.

The Company anticipates the following major events:

AsiDNA™

- Beginning to recruit patients in the United States for a Phase 1b/2 trial to evaluate the safety and efficacy of AsiDNA in combination with the PARP inhibitor Olaparib in patients with epithelial ovarian cancer, breast cancer and metastatic castration-resistant prostate cancer who have progressed despite initial treatment with PARP inhibitors.
- First results (part 1b) from the REVOCAN study of AsiDNA™ added to PARP inhibitors as second-line maintenance in patients with relapsed ovarian cancer expected from study sponsor Gustave Roussy.
- Continuing the AsiDNA™ Children study (Phase 1b/2), evaluating the effect of AsiDNA™ combined with radiation therapy in the treatment of recurrent high-grade glioma in children.

OX400

- Optimization of the most promising OX400 compound.
- Preclinical proof of concept in vitro and in vivo in combination with immunotherapies.
- Development of the translational and regulatory plan to begin clinical trials within 12 to 18 months.

platON™

- Continued evaluation and optimization of new compounds.

Onxeo believes that, given its current activities, it has no further comments to make on trends that would be likely to affect its recurring revenues and general operating conditions from the date of the last fiscal year ended December 31, 2021 until the date of publication of this report.

5.1. MAJOR INVESTMENTS FOR THE FUTURE, FUTURE FINANCING POLICY

The Company's main investments will be in research and development.

With a cash balance of €26.9 million as of June 30, 2022, the Company has sufficient visibility to carry out its projects, including the expansion of the clinical development of AsiDNA™ and the continuation of the preclinical development of the OX400 compounds, through Q2 2023.

In addition, the Company reserves the right to consolidate its financial resources through new non-dilutive financing or by raising funds, in parallel with an ongoing search for new licensing agreements.

5.2. SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD

There are no events after June 30, 2022 that could have an impact on the financial statements.

5.3. MAIN COMMUNICATIONS FROM THE COMPANY DURING THE FIRST HALF OF THE YEAR AND AFTER THE CLOSING DATE

January 3, 2022	Appointment of Julien Miara as new interim CEO
January 6, 2022	Publication of the 2021 annual report on the liquidity agreement
January 13, 2022	Publication of the 2022 financial calendar
March 9, 2022	Presentation of new preclinical data with AsiDNA™ at the ESMO Targeted Anticancer Therapies Congress
April 6, 2022	Publication of the 2021 financial results, balance sheet and outlook
April 7, 2022	Appointment of Dr. Shefali Agarwal as President and CEO
April 28, 2022	Availability of the 2021 annual financial report
June 16, 2022	Minutes of the Combined General Shareholders' Meeting of June 15, 2022
June 30, 2022	Initial Investigational New Drug (IND) application for AsiDNA approved by the Food and Drug Administration (FDA)
July 12, 2022	Announcement of a Combined General Meeting on August 17, 2022
July 29, 2022	Announcement of the availability of the preparatory documents and the participation and voting procedures for the Combined General Meeting of August 17, 2022
August 17, 2022	Results of the general meeting of August 17 and in particular approval by the shareholders of the withdrawal of Onxeo from the Nasdaq First North market in Copenhagen
August 30, 2022	Nasdaq approves the delisting of Onxeo shares from the First North market in Copenhagen
September 1, 2022	Enrollment of the first patient in the phase 1b/2 clinical study in relapsed high-grade glioma in children sponsored by Institut Curie

The full text of the press releases can be found on the Company's website www.onxeo.com.

6. MAJOR RELATED PARTY TRANSACTIONS

Transactions with other related companies within the meaning of paragraph 9 of IAS 24 relate exclusively to companies included in the scope of consolidation and are not material to the financial statements as of June 30, 2022.

7. CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2022

CONSOLIDATED BALANCE SHEET

ASSETS (in thousands €)	June 30, 2022	December 31, 2021	Note
Non-current assets			
Intangible assets	20,531	20,531	4
Property, plant and equipment	232	180	
Rights of use	1,792	2,057	5
Other financial assets	160	162	
Total non-current assets	**22,715**	**22,930**	
Current assets			
Trade receivables and related accounts	4,109	8,526	6.1
Other current receivables	3,016	3,721	6.2
Cash and cash equivalents	26,861	17,887	7
Total current assets	**33,986**	**30,133**	
TOTAL ASSETS	**56,701**	**53,063**	

LIABILITIES AND SHAREHOLDERS' EQUITY (in thousands of €)	June 30, 2022	December 31, 2021	
Shareholders' equity			
Capital	27,877	22,999	8.1
Less: Treasury shares	-144	-181	8.2
Additional paid-in capital	27,705	24,583	8.3
Retained earnings	-14,072	-8,522	
Result	-11,471	-5,937	
Total shareholders' equity	**29,895**	**32,942**	
Non-current liabilities			
Non-current provisions	926	1,508	9.1
Deferred tax liability		204	
Non-current financial debts	8,743	5,082	9.2
Non-current lease liabilities	1,192	1,428	9.2
Other non-current liabilities	4,122	4,835	9.3
Total non-current liabilities	**14,983**	**13,057**	
Current liabilities			
Current provisions	247		
Short-term borrowings and financial liabilities	4,422	2,953	10.1
Current lease liabilities	470	471	
Trade payables and related accounts	4,166	2,832	10.2
Other current liabilities	2,518	807	10.3
Total current liabilities	**11,823**	**7,063**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**56,701**	**53,063**	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of €	June 30, 2022	June 30, 2021	Note
Recurring revenue from license agreements			
Non-recurring revenue from license agreements		589	
Total revenues	**0**	**589**	11.1
Purchases consumed	-242	-194	
Personnel expenses	-4,258	-2,128	11.2
External expenses	-4,652	-2,298	11.3
Taxes	-25	-75	
Net depreciation and provisions	-237	-421	
Other current operating expenses	-217	-251	
Operating expenses	**-9,631**	**-5,367**	
Other current operating income	282	33	
Recurring operating income	**-9,348**	**-4,745**	
Other operating income	385	332	
Other operating expenses	0	-134	
Share of profit from equity affiliates			
Operating income after share of profit from equity affiliates	**-8,963**	**-4,547**	
Cost of net financial debt	-2,154	-381	
Other financial income	122	291	
Other financial expenses	-416	-148	
Financial income	**-2,448**	**-238**	12
Income before tax	**-11,412**	**-4,785**	
Income tax expense	-59	15	
- of which deferred tax			
Net income of all consolidated accounts	**-11,471**	**-4,770**	
Earnings per share	-0.11	-0.06	13
Diluted earnings per share	-0.11	-0.06	

In thousands of €	June 30, 2022	June 30, 2021	Note
Earnings for the period	**-11,471**	**-4,770**	
Translation differences	113	23	
Other items that can be reclassified to profit or loss	**113**	**23**	
Actuarial gains and losses	93	50	
Other items that cannot be reclassified to profit or loss	**93**	**50**	
Other comprehensive income for the period, net of tax	**207**	**73**	
Total comprehensive income for the period	**-11,264**	**-4,697**	
Total comprehensive income attributable to:			
- owners of parent	-11,264	-4,697	
- non-controlling interests			

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

				Change in reserves and profit/loss				
In thousands of €	**Capital**	**Own shares**	**Additional paid-in capital**	**Conversion reserves**	**Gains and losses recognized in equity**	**Reserves and consolidated profit/loss**	**Total Variations**	**TOTAL**
Shareholders' equity as of 1/01/2020	**15,329**	**-189**	**44,924**	**-34**	**-151**	**-42682**	**-42,868**	**17,197**
Total comprehensive income for the period				-71	-22	1,089	996	996
Capital increase	4,250		6,230			188	188	10,668
Own shares		7				89	89	95
Other movements			-32,577	14		32,562	32,577	
Share-based payments						79	79	79
Shareholders' equity as of 12/31/2020	**19,579**	**-182**	**18,577**	**-91**	**-173**	**-8,674**	**-8,938**	**29,036**
Total comprehensive income for the period				23	50	-4,770	-4,697	-4,697
Capital increase	3,419		6,011					9,430
Own shares		-6				-2	-2	-8
Other movements								
Share-based payments						75	75	75
Shareholders' equity as of 6/30/2021	**22,999**	**-188**	**24,588**	**-68**	**-123**	**-13,371**	**-13,562**	**33,837**
Total comprehensive income for the period				195	-1	-1,167	-973	-5,670
Capital increase			-5				0	9,425
Own shares		7				-72	-72	-73
Other movements						-1	-1	1
Share-based payments						149	149	224
Shareholders' equity as of 12/31/2021	**22,999**	**-181**	**24,583**	**127**	**-124**	**-14,462**	**-14,459**	**32,942**
Total comprehensive income for the period				113	93	-11,471	-11,264	-11,264
Capital increase	4,878		3,122				0	8,000
Own shares		37				-40	-40	-2
Other movements							0	0
Share-based payments						219	219	219
Shareholders' equity as of 6/30/2022	**27,877**	**-144**	**27,705**	**241**	**-31**	**-25,753**	**-25,543**	**29,895**

CONSOLIDATED STATEMENT OF NET CASH FLOWS

In thousands of €	Note	June 30, 2022	December 31, 2021	June 30, 2021
Consolidated net income		**-11,471**	**-5,937**	**-4,770**
+/- Net depreciation and provisions (excluding those related to current assets)	4, 5, 9.1	48	511	438
-/+ Unrealized gains and losses related to changes in fair value		174		-148
+/- Income and expenses calculated in relation to stock options and similar instruments	8.4	219	-182	75
-/+ Other calculated income and expenses			224	
-/+ Capital gains and losses on disposals				
-/+ Dilution gains and losses				
+/- Share of profit from equity affiliates				
+/- Other items with no impact on cash				114
Cash flow from operations after cost of net financial debt and tax		**-11,029**	**-5,384**	**4,291**
+ Cost of gross financial debt	12	2,157	848	385
+/- Tax expense (including deferred taxes)		59	100	-15
Cash flow from operations before cost of net financial debt and tax		**-8,813**	**-4,436**	**-3,921**
- Tax paid				
+/- Change in operating working capital requirements (including employee benefit liabilities)		7,368	-4,136	634
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES		**-1,446**	**-8,572**	**-3,289**
- Disbursements related to acquisitions of property, plant and equipment and intangible assets		-71	-139	-8
+ Cash receipts related to disposals of property, plant and equipment and intangible assets				
- Disbursements related to acquisitions of financial assets (non-consolidated shares)				
+ Cash receipts related to disposals of financial assets (non-consolidated shares)		3	73	9
+/- Impact of changes in the scope of consolidation				
+ Dividends received (equity affiliates, non-consolidated shares)				
+/- Change in loans and advances granted				
+ Investment grants received				
+/- Other flows related to investment operations				
NET CASH FLOW USED IN INVESTING ACTIVITIES		**-68**	**-66**	**1**
+ Sums received from shareholders on capital increases				
. Paid by the shareholders of the parent company	8.1	7,961	9,351	9,428
. Paid by minority shareholders of consolidated companies				
+ Amounts received on exercise of stock options				
-/+ Net repurchases and resales of own shares	8.2	37	1	-6
+ Cash inflow from new loans				5,000
- Loan repayments (including finance leases)	9.2, 10.1	2,343	2,620	-1,199
Of which reimbursement of rights of use (IFRS16)		-238	-487	-244
+/- Other flows related to financing operations		3	4	3
NET CASH FLOW USED IN FINANCING ACTIVITIES		**10,343**	**11,976**	**13,226**
+/- Impact of foreign exchange rate changes		144	25	1
CHANGE IN NET CASH FLOW		**8,974**	**3,363**	**9,939**
INITIAL CASH FLOW		**17,886**	**14,523**	**14,523**
FINAL CASH FLOW		**26,861**	**17,886**	**24,462**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Onxeo is a clinical-stage biotechnology company that develops new cancer drugs by targeting tumor DNA functions through unique mechanisms of action in the field of DNA Damage Response (DDR).

NOTE 1: BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Onxeo's interim consolidated financial statements at June 30, 2022 were approved by the Board of Directors on September 8, 2022. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as applicable within the European Union for interim financial reporting (IAS 34), which allow the presentation of selected notes. The consolidated financial statements are therefore presented in condensed form and should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2021, as included in the Annual Financial Report published on April 28, 2022.

The accounting policies applied as from January 1, 2022 are identical to those described in the notes to the consolidated financial statements published as of December 31, 2021. The amendments to IFRS 3 "Reference to the Conceptual Framework", IAS 16 "Proceeds Before Intended Use", IAS 37 "Onerous Contracts - Costs of Fulfilling a Contract" as well as the amendments "Annual Improvements to IFRSs 2018-2020 Cycle" applicable as of January 1, 2022 did not have a material impact on the Group's consolidated financial statements.

In addition, the Group has chosen not to early adopt new standards, amendments and interpretations, when their application is mandatory after June 30, 2022, whether or not they have been adopted by the European Union. The impact of these standards and amendments is currently being analyzed.

Use of estimates

As at December 31, 2021, the Group has used estimates in preparing the financial statements for the calculation of:

- the market value of R&D programs acquired through business combinations (mergers and acquisitions) - see Note 4,
- share-based payments - see Note 8.4,
- pension commitments and provisions - see Note 9.1.1,
- future development costs of belinostat under the license agreement with Acrotech - see Note 9.1.2,
- trade payables provisioned at the end of the year in connection with ongoing clinical trials.

Going concern

The financial statements have been prepared on a going concern basis. This basis was retained by the Board of Directors in view of the fact that the Group had a consolidated net cash position of 26.9 million euros as of June 30, 2022, enabling it to finance its activities until the second quarter of 2023 based on its financing plan.

NOTE 2: SCOPE OF CONSOLIDATION

The Group includes Onxeo SA, which concentrates most of its activities in Paris and in its Danish establishment in Copenhagen, and its subsidiaries listed below:

- Onxeo US
- Topotarget UK
- Topotarget Switzerland

All subsidiaries are wholly owned and fully consolidated.

There were no changes in the scope of consolidation during the first half of 2022.

NOTE 3: OPERATING SEGMENT REPORTING (IFRS 8)

The Group as a whole constitutes a single operating segment. In accordance with IFRS 8.32 and 33, information on the breakdown of revenues by geographical area is provided in note 11.1. In accordance with this standard, the Group's non-current assets are mainly located in France.

NOTE 4: INTANGIBLE ASSETS

In thousands of €	December 31, 2020	Increase	Decrease	December 31, 2021	Increase	Decrease	June 30, 2022
AsiDNA™ R&D assets	2,472			2,472			2,472
Goodwill	20,059			20,059			20,059
Other intangible assets	503	4		507	3		510
Total gross values	**23,034**	**4**		**23,038**	**3**		**23,041**
Other depreciation	-500	-7		-507	-3		-510
Total depreciation	**-500**	**-7**		**-507**	**-3**		**-510**
Goodwill impairment	-2,000			-2,000			-2,000
Total impairment	**-2,000**			**-2,000**			**-2,000**
TOTAL	**20,534**	**-3**	**0**	**20,531**	**0**	**0**	**20,531**

4.1 Search for indicators of impairment and impairment testing

The R&D assets acquired as part of the DNA Therapeutics acquisition, namely AsiDNA™, as well as goodwill are subject to impairment testing at least annually in accordance with IAS 36.

No indicator of impairment has been identified with respect to the R&D assets related to AsiDNA, therefore no impairment test has been conducted and no impairment has been recognized as of June 30, 2022.

No indicator of impairment has been identified with respect to the goodwill and as the Company's market capitalization as of June 30, 2022, representative of the fair value of the goodwill, is higher than the consolidated net book value at that date, no impairment test has been performed and no impairment loss has been recognized.

4.2 Other information

Research and development costs incurred in the first half of 2022 have been expensed in the amount of 5.3 million euros, including 1.1 million euros for personnel expenses and 4.2 million euros for external expenses and regulatory fees and taxes.

NOTE 5: RIGHTS OF USE

In thousands of €	December 31, 2020	Increase	Decrease	December 31, 2021	Increase	Decrease	June 30, 2021
Rights of use	3,601	129	-49	3,681		-214	3,467
Depreciation of rights of use	-1,122	-551	49	-1,624	-265	214	-1,675
Net value of rights of use	**2,479**	**-422**	**0**	**2,057**	**-265**	**0**	**1,792**

The rights of use correspond mainly to the lease of the head office and to the rental of laboratory equipment and vehicles. These rights of use are amortized over the remaining term of the contracts.

NOTE 6: CURRENT ASSETS

6.1 Trade receivables and related accounts

In thousands of €	June 30, 2022	< 1 year	> 1 year	December 31, 2021
Net trade receivables and related accounts	4,109			8,526

Trade receivables consist exclusively of a receivable from the partner Acrotech Biopharma, corresponding to royalties to be received on sales of Beleodaq® in the United States until full repayment of the bond issue with SWK. In the first half of 2022, as cumulative net sales since the launch of Beleodaq® have crossed the $100 million threshold, Onxeo is entitled to a contractual royalty of up to $5 million. Under the terms of the license agreement, Acrotech owes Onxeo only the amount necessary to repay the bond issue in full, i.e. 4,109 thousand euros. As this receivable was actually paid on July 2, 2022, it has been classified in full within one year.

The breakdown of trade receivables by due date is as follows (in thousands of euros):

Total	Amount due	1 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	> 120 days	Amount not due
4,109	4,109						

6.2 Other receivables

In thousands of €	June 30, 2022	< 1 year	> 1 year	December 31, 2021
Personnel and related accounts	7	7		14
Research tax credit	2,228	2,228		1,745
Other tax receivables	375	375		512
Prepaid expenses	406	406		1,450
Net value of Other receivables	**3,016**	**3,016**		**3,721**

The "Research tax credit" item includes a tax credit for 2021 in the amount of 1,745 thousand euros, which had not yet been reimbursed as of June 30, 2022, as well as the tax credit for the first half of 2022, in the amount of 483 thousand euros. In accordance with IAS 20, that credit has been presented as a deduction from expense items according to their nature, as follows:

In thousands of €	June 30, 2022	December 31, 2021	June 30, 2021
Decrease in personnel expenses	192	429	219
Decrease in external expenses	280	1,273	231
Decrease in impairments and depreciation	11	43	17
Total	**483**	**1,745**	**467**

The other tax receivables mainly relate to deductible VAT and to a VAT credit for which the Company has requested reimbursement.

The prepaid expenses mainly include various pre-clinical subcontracting expenses and general and administrative expenses.

NOTE 7: CASH AND CASH EQUIVALENTS

In thousands of €	Net values as of 06/30/2022	Net values as of 12/31/2021	Changes in cash and cash equivalents
Cash flow	11824	5584	6240
Cash equivalents	15303	12302	3001
Total Net Cash Flow	**27127**	**17886**	**9241**

Cash equivalents include term accounts of 15.3 million euros that comply with the provisions of IAS 7.6 and IAS 7.7, i.e. short-term, highly liquid, readily convertible investments.

The change in net cash is mainly related to the company's operating expenses, notably in research and development, for a total amount of 6.6 million euros, offset by the receipt of 3.6 million euros in license revenues.

In terms of financing, the Group received in April 2022 a net amount of 8 million euros in the form of a private placement capital increase, as well as 4 million euros in the form of a bond issue subscribed by the two main shareholders, Invus and Financière de la Montagne.

NOTE 8: SHAREHOLDERS' EQUITY

8.1 Share capital

As of June 30, 2022, the capital stock amounted to 27 877 thousand euros, divided into 111,507,130 ordinary shares with a par value of €0.25 each, all of the same class and fully paid up.

During the financial year, the share capital changed as follows

		Par	# of shares	€
Fully paid-up shares as of 12/31/2021		0.25	91994935	22998733.75
Capital increase	(1)	0.25	19512195	4878048.75
Fully paid-up shares as of 06/30/2021		0.25	**111507130**	**27876782.50**

(1) A capital increase in the form of a private investment on April 8, 2022, for a gross amount of 8 million euros, through the issue of 19,512,195 new shares at a price of 0.41 euros each. The par value of each share is 0.25 euro, representing an increase in share capital of 4,878 thousand euro and additional paid-in capital of 3,122 thousand euro.

8.2 Own shares

In accordance with IAS 32 §33, treasury shares acquired under the liquidity contract signed with Kepler Cheuvreux have been deducted from equity in the amount of 188,000 euros. Losses on share buybacks as of June 30, 2022, amounting to 2 thousand euros, have been added to reserves in accordance with the standard.

8.3 Additional paid-in capital

As a result of the capital increase described in 8.1 above, the additional paid-in capital account has increased by a total of 3,100 thousand euros, after deducting the costs associated with the operation.

8.4 Share-based payments

Full details of stock options and share subscription warrants granted by the Group are given below.

During the first half of the year, the Board of Directors granted stock options to the Chief Executive Officer (the "SO 2022" and "SO 2022-3" plans) and to certain employees (the "SO 2022-2" plan). The Board of Directors has also granted share subscription warrants to the Chair of the Board, prior to her appointment as Chief Executive Officer and in the context of the consultancy contract signed in April 2021 with Onxeo (the "SSW 2022" plan), as well as to a Director who is not an officer or employee of the company (the "SSW 2022-2" and "SSW 2021-2" plans). These grants have the following characteristics:

	SO 2022	SO 2022-2	SO 2022-3
Date of grant	February 2, 2022	May 4, 2022	
Number of options granted	250000	2030 000	3810285
Strike price (€)	0.42	0.40	
Vesting	100% on 2/02/2023	Over 4 years, 25% per year	1580143 SO on 06/30/22 (US AsiDNA IND filing) 2230142 SO at a rate of 1/3 on each of the following dates: 4/7/2023, 4/7/2024, 4/7/2025

	SSW 2022	SSW 2022-2
Date of grant	February 2, 2022	
Number of warrants granted	150000	75000
Number of warrants subscribed	150000	75000
Warrant subscription price (€)	0.100	0.095
Vesting	100% on 8/02/2023	In thirds every 6 months
Strike price (€)	0.42	

The expense for the first half of 2022 relating to share-based payments amounts to 219 thousand euros, including 170 thousand euros in respect of instruments granted in 2022.

8.4.1. Summary of share subscription warrants as of June 30, 2022 (SSW)

Type	Date of authorization	SSWs authorized	Date of grant	SSWs granted	SSWs subscribed	Beneficiaries	Outstanding SSWs as of 06/30/2022 adjusted (1)	SSWs exercisable at 06/30/2022 adjusted (1)	Adjusted subscription price per share in euros (1)	Date of expiration
SSW 2013	June 26, 2013 Resolution 17	100,000	September 19, 2013	85,000	85,000	Non-salaried and non-executive members of the Board	88,490	88,490	3.85	September 19, 2023
SSW 2014	June 30, 2014 Resolution 19	314,800	September 22, 2014	107,500	82,500		85,886	85,886	6.17	September 22, 2024
SSW 2014-2			March 4, 2015	35,500	19,000		19,000	19,000	6.26	March 4, 2025
SSW 2015	May 20, 2015 Resolution 18	405,000	October 27, 2015	80,000	65,000		65,000	65,000	3.61	October 27, 2025
SSW 2015-2			January 23, 2016	90,000	90,000		90,000	90,000	3.33	January 23, 2026
SSW 2016	April 06, 2016 Resolution 23	405,520	July 28, 2016	260,000	190,000		160,000	160,000	3.16	July 28, 2026
SSW 2016-2			October 25, 2016	30,000	30,000	Key consultants of the company	30,000	30,000	2.61	October 25, 2026
SSW 2016-3			December 21, 2016	70,000	70,000	Non-salaried and non-executive members of the Board	52,500	52,500	2.43	December 21, 2026
SSW 2017	May 24, 2017 Resolution 29	470,440	July 28, 2017	340,000	300,000		300,000	300,000	4.00	July 28, 2027
SSW 2018	June 19, 2018 Resolution 28	360,000	July 27, 2018	359,500	274,500		274,500	274,500	1.187	July 27, 2028
SSW 2018-2			October 25, 2018	85,000	85,000		85,000	85,000	1.017	October 25, 2028
SSW 2020	June 19, 2020 Resolution 31	500,000	September 17, 2020	500,000	350,000		350,000	350,000	0.684	September 17, 2030
SSW 2021			April 28, 2021	150,000	150,000	Key consultants of the company (2)	150,000	0	0.723	April 28, 2031

(1) Adjustment of the number and subscription price of warrants following the capital increases of July 2011, July 2013 and December 2014, in accordance with Article L.228-99 of the French Commercial Code (Board of Directors' meetings of July 28, 2011, November 14, 2013 and January 22, 2015)

Type	Date of authorization	SSWs authorized	Date of grant	SSWs granted	SSWs subscribed	Beneficiaries	Outstanding SSWs as of 06/30/2022	SSWs exercisable as of 06/30/2022	Subscription price per share in euros	Date of expiration
SSW 2021-2	June 10, 2021 Resolution 19	700,000	June 11, 2021	100,000	100,000	Non-salaried and non-executive members of the Board	100,000	100,000	0.662	June 11, 2031
SSW 2021-3			July 29, 2021	300,000	125,000		125,000	41,667	0.620	July 29, 2031
SSW 2021-4			October 6, 2021	150,000	75,000		75,000	25,000	0.560	October 6, 2031
SSW 2022			February 2, 2022	150,000	150,000	Chair of the Board	150,000	0	0.420	February 2, 2032
SSW 2022-2			February 2, 2022	75,000	75,000	Non-salaried and non-executive members of the Board	75,000	0	0.420	February 2, 2032
TOTAL SSWs							**2,275,376**	**1,767,043**		

8.4.2. Summary of stock options as of June 30, 2022 (SO)

Plan designation	Date of authorization	Number of options authorized	Date of grant	Number of options granted	Beneficiaries	Outstanding options as of 06/30/2022 adjusted (1)	Options exercisable as of 06/30/2022 adjusted (1)	Adjusted subscription price per share in euros (1)	Date of expiration
SO Employees 2012	May 31, 2012 Resolutions 13 and 14	333,000	September 13, 2012	268,000	Employees	52,321	52,321	3.75	September 13, 2022
SO Executives 2012		110,000		110,000	Executives	47,090	47,090	3.75	September 13, 2022
TOTAL SO 2012		**443,000**		**378,000**		**99,411**	**99,411**		
SO Employees 2013	June 26, 2013 Resolution 15	283,000	September 19, 2013	195,500	Employees	31,232	31,232	3.85	September 19, 2023
TOTAL SO 2013		**283,000**		**195,500**		**31,232**	**31,232**		
SO Employees 2014	June 30, 2014 Resolution 17	314,800	September 22, 2014	138,700	Employees	9,587	9,587	6.17	September 22, 2024
SO Executives 2014				40,000	Executives	15,616	15,616	6.17	September 22, 2024
TOTAL SO 2014		**314,800**		**178,700**		**25,203**	**25,203**		
SO Employees 2017	May 24, 2017 Resolution 26	470,440	July 28, 2017	347,800	Employees	17,625	17,625	4.00	July 28, 2027
SO Employees 2017-2			March 29, 2018	25,000	Employees	25,000	25,000	1.48	March 29, 2028
TOTAL SO 2017		**470,440**		**417,800**		**42,625**	**42,625**		
SO Employees 2018	June 19, 2018 Resolution 27	970,000	July 27, 2018	758,604	Employees	416,805	361,791	1.187	July 27, 2028
SO Executives 2018				150,723	Executives	108,723	98,223	1.187	July 27, 2028
TOTAL SO 2018		**970,000**		**909,327**		**525,528**	**460,014**		
SO Employees 2020	June 19, 2020 Resolution 30	1,200,000	September 17, 2020	1,030,000	Employees	822,500	226,250	0.684	September 17, 2030
SO Executives 2020				170,000	Executives	170,000	42,500	0.684	September 17, 2030
TOTAL SO 2020		**1,200,000**		**1,200,000**		**992,500**	**268,750**		
SO Employees 2021	June 10, 2021 Resolution 30	1,500,000	September 17, 2020	281,000	Employees	278,000	0	0.62	July 29, 2021
SO Executives 2021			December 16, 2010	60,000	Executives	60,000	0	0.62	July 29, 2021
SO 2021-2				429,194	Employees & executives	429,194	429,194	0.62	July 28, 2017
TOTAL SO 2021		**1,500,000**		**770,194**		**767,194**	**429,194**		

(1) Adjustment of the number and subscription price of options following the capital increases of July 2011, July 2013 and December 2014, in accordance with Article L.228-99 of the French Commercial Code (Board of Directors' meetings of July 28, 2011, November 14, 2013 and January 22, 2015)

Plan designation	Date of authorization	Number of options authorized	Date of grant	Number of options granted	Beneficiaries	Outstanding options as of 06/30/2022	Options exercisable as of 06/30/2022	Strike price per share in euros	Date of expiration
SO 2022	June 10, 2021 Resolution 18	1,500,000	February 2, 2022	250,000	Executives	250,000	0	0.42	February 2, 2032
SO 2022-2	April 19, 2022 Resolution 4	7,350,000	May 4, 2022	2,030,000	Employees	2,030,000	0	0.40	May 4, 2032
SO 2022-3				3,810,285	Executives	3,810,285	1,580,143	0.40	May 4, 2032
TOTAL SO 2022		**8,850,000**		**6,090,285**		**6,090,285**	**1,580,143**		
TOTAL SO						**8,573,978**	**2,936,572**		

NOTE 9: NON-CURRENT LIABILITIES

9.1 Non-current provisions

In thousands of €	December 31, 2021	Provision charges	Reversals		June 30, 2022
			Used	Not used	
Pension obligations	607			-382	225
Provisions	901		-200		701
Total non-current provisions	**1,508**		**-200**	**-382**	**926**

9.1.1. Pension obligations

Pension provisions amounted to 225 thousand euros as of June 30, 2022, compared with 607 thousand euros at December 31, 2021. This decrease of 382 thousand euros, linked to the departure of Ms. Judith Greciet and other French employees, results in an impact on the income statement of 289 thousand euros (proceeds) and in the recognition of a positive actuarial difference of 93 thousand euros in other comprehensive income, in accordance with the standard.

The actuarial assumptions used were as follows:

	June 30, 2022	December 31, 2021
Collective Agreement	National CBA of Pharmaceutical Companies	
Retirement age	Between the ages of 65 and 67, in application of the law of November 10, 2010 on pension reform	
Date of calculation	June 30, 2022	December 31, 2021
Mortality table	INSEE 2021	INSEE 2021
Discount rate	3.13%	1.12%
Salary increase rate	3%	2%
Turnover rate	By age bracket: - 0% 16 to 24 years old - 0% 25 to 34 years old - 3.88% 35 to 44 years old - 0% 45 to 54 years old - 0% over 55 years old	By age bracket: - 0% 16 to 24 years old - 0% 25 to 34 years old - 4.65% 35 to 44 years old - 1.16% 45 to 54 years old - 1.16% over 55 years old
Social security rates	46%	

9.1.2. Provisions

Provisions are made for:

- Restoring the condition of leased space, in the context of IFRS 16, for 271 thousand euros.
- Future development costs for belinostat that will be borne by Onxeo under the license agreement with Acrotech, equal to 430 thousand euros; this amount has been estimated by management on the basis of scenarios with a probability of occurrence and will be reassessed at each closing date.

9.2 Non-current financial debts

In thousands of €	June 30, 2022	December 31, 2021	Change		
			Total	Impact on cash flow	No impact on cash flow
Government-backed loans	4,669	5,000	-331		-331
Convertible bond issue	4,000		4,000	4,000	
Reimbursable advances	75	83	-8		-8
Subtotal	**8,744**	**5,083**	**3,661**		**-339**
Lease liabilities	1,192	1,428	-236		-236
TOTAL	**9,936**	**6,511**	**3,425**	**4,000**	**-575**

The government-backed loans (GBLs) were granted in February 2021 by Bpifrance and the Group's commercial banks. Onxeo has chosen to repay these loans over a period of 5 years starting in February 2022, the first year being a grace period during which only interest will be paid. These loans bear interest at rates between 0.69% and 2.25% over the repayment period and these relatively low rates should lead to the recognition of a grant in accordance with IAS 20. However, given the purpose and terms of the GBLs, the value of the grant is linked to the term of the loan and the grant should be considered a subsidy of the cost of financing the GBLs to be recognized in profit or loss on a symmetrical basis with the interest expense. The identification of a grant would therefore have no practical impact on the result for the period, nor on its presentation in relation to the recognition of the GBL at the contractual rate. For this reason, the Group has chosen to record them at the value of the cash received net of transaction costs.

The convertible bonds were issued in April 2022 and subscribed by Invus Public Equities LP and Financière de la Montagne for €2.5 million and €1.5 million respectively. The maturity of this loan is set for April 6, 2027. Convertible bonds do not bear interest. They may be converted into ordinary shares exclusively at the Company's initiative between the issue date and the maturity date; the CBs will entitle their holders, in the event of conversion, to a number N of new ordinary shares equal to the par value of one CB divided by X; X being the lesser of (a) 0.410 euros2, and (b) the volume-weighted average of the prices of the three trading sessions preceding the date of the request for conversion, without any discount.

Repayable advances were granted by Bpifrance and the Ile-de-France region, notably under the Innov'Up Leader PIA program, to finance the Company's R&D programs AsiDNA™ and PlatON™. These advances do not bear interest.

Lease liabilities are recognized in accordance with IFRS 16, in exchange for the recognition of rights of use for buildings and movable assets leased by the Group.

The table below shows a breakdown by maturity of non-current liabilities:

In thousands of €	June 30, 2022	1 to 5 years	More than 5 years
Government-backed loans	4,669	4,669	
Convertible bond issue	4,000	4,000	
Reimbursable advances	75	75	
Lease liabilities	1,192	1,192	
TOTAL	**9,936**	**9,936**	

9.3 Other non-current liabilities

Other non-current liabilities, in the amount of 4,122 thousand euros, correspond to the debt to SpePharm. This debt will be repaid in the form of a 20% share of the amounts received by Onxeo under existing or future license agreements. The residual amount of the debt at January 31, 2024 will be paid in full at that date.

NOTE 10: CURRENT LIABILITIES

10.1 Short-term borrowings and financial liabilities

In thousands of €	June 30, 2022	December 31, 2021	Change		
			Total	Impact on cash flow	No impact on cash flow
Government-backed loans	331		331		331
Bond debt	2,240	2,558	-318	-707	389
Reimbursable advances		82	-82	-82	
Accrued interest	1,835	307	1,528	-300	1,828
Other	15	6	9		9
Subtotal	**4,421**	**2,953**	**1,468**	**-1,089**	**2,557**
Lease liabilities	470	471	-1	-245	244
TOTAL	**4,891**	**3,424**	**1,467**	**-1,334**	**2,801**

The bond debt granted by SWK Holdings is repaid through royalties paid by the partner Acrotech Biopharma on sales of Beleodaq® in the United States. This debt has an initial amount of $7.5 million (6.4 million euros) and a fixed redemption premium of $6 million. The residual amount at June 30, 2022 is discounted using the original effective interest rate. This amount was fully reimbursed on July 2, 2022 through the payment by Acrotech of a contractual royalty linked to the achievement, over the first half of 2022, of cumulative net sales of the product since its launch totalling $100 million. The recognition of the repayment premium associated with this specific fee explains the significant change in accrued interest at June 30, 2022.

10.2 Trade payables

In thousands of €	June 30, 2022	December 31, 2021
Trade payables and related accounts	4,162	2,832

The change in trade payables is mainly due to the seasonal nature of R&D expenditure, particularly as a result of the industrial development operations associated with AsiDNA.

10.3 Other current liabilities

In thousands of €	June 30, 2022	December 31, 2021
Social security and related liabilities	2,193	593
Tax liabilities	320	214
Other liabilities	3	0
Total	**2,518**	**807**

The major change in social security liabilities is due to the changing workforce, with the recruitment of a team based in the United States in charge of clinical development and regulatory affairs, as well as to the severance pay of the former General Manager and other employees of Onxeo SA.

NOTE 11: OPERATING INCOME AND EXPENSES

11.1 Revenues

In thousands of €	June 30, 2022	June 30, 2021
Recurring revenue from license agreements	0	0
Non-recurring revenue from license agreements	0	589
Total revenues	**0**	**589**

In accordance with IFRS 8.32 and 33, the table below shows the origin of revenues in terms of geographical area:

Breakdown of revenues in thousands of euros	June 30, 2022	June 30, 2021
France	0	0
Rest of Europe	0	0
Rest of the world	0	589
Total	**0**	**589**

11.2 Personnel expenses

Personnel expenses are broken down as follows:

In thousands of €	June 30, 2022	June 30, 2021
Salaries	3,198	1,608
Social security expenses	1,033	663
Employee benefits (IFRS 2)	219	75
Deduction of research tax credit	-192	-218
Total	**4,258**	**2,128**

The total workforce (employees and corporate officers) was 36 people as of June 30, 2022 compared to 29 as of June 30, 2021.

The increase in payroll relative to the first half of 2021 is due to the increased workforce, with the recruitment of a team based in the United States in charge of clinical development and regulatory affairs, as well as to the severance pay of the former General Manager and other employees of Onxeo SA.

11.3 External expenses

External expenses are composed of the following items:

In thousands of €	June 30, 2022	June 30, 2021
R&D costs	4,107	1,389
Deduction of research tax credit	-280	-231
General and administrative expenses	824	1,140
Total	**4,651**	**2,298**

The increase in R&D expenses compared to 2021 is due to the advancement of the AsiDNA™ program, particularly in terms of industrial development and clinical batch manufacturing, as well as the optimization of OX400 compounds.

NOTE 12: FINANCIAL INCOME

In thousands of €	June 30, 2022	Impact on cash flow	No impact on cash flow	June 30, 2021
Income in cash and cash equivalents	3	3		3
Cost of financial debt	-2,157	-322	-1,835	-384
Cost of net financial debt	-2,154	-319	-1,835	-381
Other financial income	122		122	291
Other financial expenses	-416		-416	-148
Financial income	**-2,448**	**-319**	**-2,129**	**-238**

The cost of financial debt mainly includes the interest expense related to the bond issue with SWK Holdings Corporation. Accrued interest of 1,835 thousand euros was recognized as of June 30, 2022 in connection with the contractual royalties acquired during the half-year and paid by the partner Acrotech Biopharma on July 2, enabling the bond debt to be repaid in full at that date.

The other financial income corresponds mainly to the positive impact of the revaluation of the discounted amount of the future receivable from Acrotech, related to Beleodaq (114 thousand euro). Other financial expenses include the fair value measurement of the bond issue with SWK (174 thousand Euro), as well as net exchange losses of 216 thousand euro, relating to the bond issue with SWK.

NOTE 13: EARNINGS PER SHARE

In thousands of €	June 30, 2022	June 30, 2021
Net income attributable to common shareholders	-11,471	-4,770
Number of shares issued	111,507,130	91,994,935
Number of treasury shares	448,434	-293,920
Number of shares outstanding (excluding treasury shares)	**111,058,696**	**91,701,015**
Stock options	8,573,978	2,715,734
Share subscription warrants	2,275,376	1,850,376
Number of potential and issued shares (excluding treasury shares)	**121,908,050**	**96,267,125**
Weighted average number of shares outstanding (excluding treasury shares)	101,050,318	84,362,948
Net earnings per share in euros	**-0.11**	**-0.06**
Potentially dilutive securities resulting from the exercise of options and share subscription warrants	8,874,979	2,814,915
Weighted average number of outstanding and potential securities (excluding treasury securities)	109,925,297	87,177,863
Diluted net earnings per share in euros (*)	**-0.11**	**-0.06**

(*) The impact of dilution is not presented for 2022 as it is accretive due to negative earnings.

NOTE 14: RELATED PARTIES

Related-party transactions within the meaning of paragraph 9 of IAS 24 did not have a material impact on the financial statements at June 30, 2022.

NOTE 15: POST-CLOSING EVENTS

There are no events after June 30, 2022 that could have an impact on the financial statements.

8. CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE SEMI-ANNUAL FINANCIAL REPORT

I hereby certify that, to the best of my knowledge, the condensed interim consolidated financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all the companies included in the consolidation, and that the interim management report (presented in chapter 3 of this report) gives a true and fair view of the significant events of the first six months of the year, their impact on the financial statements, the main transactions between related parties and a description of the principal risks and uncertainties for the remaining six months of the year.

Paris, September 13, 2022

Ms. Shefali Agarwal

President and CEO